

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7431**

**BILL NUMBER:** SB 545

**NOTE PREPARED:** Jan 8, 2013

**BILL AMENDED:**

**SUBJECT:** Fire Protection Territories.

**FIRST AUTHOR:** Sen. Lanane

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** The bill provides that a fire protection territory may: (1) purchase personal property and hold title to the property in the name of the territory; and (2) dispose of surplus personal property held in the name of the territory. It requires the participating units of the fire protection territory to designate a purchasing agent for the territory.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The bill will have indeterminate fiscal impact for the purchase of property by a fire protection territory. There could be increased costs if a territory has a designated purchasing agent.

*Background:* A fire protection territory is a geographic area created through the adoption of similar ordinances (or resolutions for townships). One of the units establishing the fire protection territory is considered the providing unit and that unit makes purchases, and holds title and debt for the fire protection territory. The debt limits and maximum tax levies of the providing unit apply to the fire protection territory. Under the bill, the fire protection territory would could purchase and sell equipment on its own behalf.

Parts of a fire protection territory may be annexed or a unit may choose to leave the fire protection territory.

If this were to occur, the disposition of the equipment is not specified under the bill.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Fire Protection Territories.

**Information Sources:**

**Fiscal Analyst:** Karen Firestone, 317-234-2106.